



STATE OF TENNESSEE
DEPARTMENT OF COMMERCE AND INSURANCE
TENNCARE DIVISION

615-741-2677
Phone

500 JAMES ROBERTSON PARKWAY, SUITE 750
NASHVILLE, TENNESSEE 37243-1169

615-532-8872
Fax

CONFIDENTIAL TENNCARE ENROLLEE INFORMATION CONTAINED IN LETTER

DATE

PROVIDER ADDRESS

Re: A claims processing, adjudication or payment issue between **PROVIDER** and MCO
("AKA") d/b/a MCO¹

Dear **NAME**:

The TennCare Division of the Department of Commerce and Insurance received correspondence **DATE** regarding claims processing, adjudication or payment issues involving medical services provided to TennCare enrollees assigned to **MCO** (copy attached).

There are the following two courses of action that may be available to you through the TennCare Division:

1. Request the TennCare Division to write the TennCare MCO for a response to your claims processing, adjudication or payment issue. This process is free. Such requests should be directed to:

Elaine Moore, Compliance Assistant
TennCare Division
Tennessee Department of Commerce and Insurance
500 James Robertson Parkway, Suite 750
Nashville, TN 37243

If you write a letter of complaint to the TennCare Division, the Division will automatically write the TennCare MCO for a response to your claims processing, adjudication or payment issue.

2. Request Independent Review. Independent Review has specific eligibility requirements and an associated fee.

Absent a situation where a TennCare MCO has been placed under Administrative Supervision or Receivership, the TennCare Division has no other express statutory authority to intercede in particular claim denial disputes. The TennCare Division does use information regarding disputed claims to monitor and examine TennCare MCO compliance and requires TennCare plans to respond to complaints from providers concerning claims disputes.

¹ MCO includes TennCare HMOs, BHOs, and Dental Benefits Managers.

I referred your complaint to **MCO** for review and response. By copy of this letter, I hereby request **MCO** to provide me with a copy of their response to you **14 days from letter date**. For TennCare HMOs, this request is considered an "On Request" report. In accordance with Section 4-8.b.1 of the TennCare HMO Contractor Risk Agreement, failure to provide the requested response by the due date will result in this Division recommending that the TennCare Bureau assess the appropriate liquidated damages against **MCO**. For TennCare BHOs, this request is considered an "Ad Hoc" request. In accordance with Sections 3.13.2, 4.7.2.6, and 5.3.3. of the BHO's Re-issue of the Managed Care Contract, failure to provide the requested response by the due date will result in this Division recommending that the TennCare Bureau assess the appropriate liquidated damages against **TennCare BHO**.

Sincerely,

Elaine M. Moore
Compliance Assistant

Attachments (3)

cc: NAME MCO CONTACT, POSITION, MCO
Examinations Director, TennCare Division (w/o enclosures)
Compliance Manager, TennCare Division (w/o enclosures)
LEAD EXAMINER, CPA, Lead Examiner, TennCare Division (w/o enclosures)
Director, Contract Development & Compliance (w/o enclosures)

Summary of Independent Review

Independent review² is a process for providers of TennCare services to resolve their claims payment disputes with TennCare HMOs, BHOs, and Dental Benefits Managers.³ If a provider wishes to pursue independent review and the claims dispute is eligible, the Department of Commerce and Insurance (TDCI) will send the dispute to an independent reviewer,⁴ who will decide whether the MCO correctly paid the provider. If the reviewer decides the MCO owes the provider, the MCO must pay the provider within 20 days of receipt of the reviewer's decision. If the reviewer decides the MCO correctly denied the claim, the provider must reimburse the MCO the review fee.

In place of independent review, a provider may pursue any appropriate legal or contractual remedy available.

The Independent Review Process

The Independent Review process consists of the following five steps:

1. Provider's Request for Independent Review and *Aggregation of Claims*
2. TDCI Administration
 - 2a. Eligibility Verification
 - 2b. Payment of Review Fee
 - Non-Participating vs. Participating Providers
 - 2c. TDCI's Referral of Request to Reviewer
3. Reviewer's Request for Information
4. Reviewer's Decision
5. Award

Provider's Request for Independent Review and Aggregation of Claims

Providers wishing to pursue independent review should submit the information requested on the Request for Independent Review Form to TDCI at the following address:

Independent Review Request
Compliance Officer
TennCare Division
Tennessee Department of Commerce & Insurance
500 James Robertson Parkway, Suite 750
Nashville, TN 37243

The Request Form is located at the following address:

<http://www.state.tn.us/commerce/tenncare/pdf/request.pdf>

A provider may also call (615) 741-2677 and request the form.

Once TDCI receives a provider's request, TDCI reviews it for eligibility. If the request is eligible, TDCI sends the request to an independent reviewer. If the request is ineligible, TDCI will notify the provider.

Aggregation of Claims

Claims involving the same MCO may be aggregated, if the specific reason for the denial involves a common question of fact or law. The mere fact that a claim is denied does not

² T.C.A. §§ 56-32-226(b) and 71-5-2314 govern independent review.

³ MCO = TennCare HMOs, BHOs, and Dental Benefits Managers.

⁴ Pursuant to T.C.A. § 56-32-226(b)(4), the TennCare Claims Processing Panel selects the independent reviewers. As of October 8, 2002 there are 7 reviewers.

create a common question of fact or law. The basic rule for whether claims may be aggregated is whether a reviewer can decide for one claim and apply that decision to all claims.

For example, a transportation provider who is paid a capitated rate and disputes the number of enrollees during a specific time period may aggregate claims because the common issue among the claims is whether the MCO paid the provider the correct amount for the number of enrollees. In this example, the reviewer only needs to determine the number of enrollees and apply that fact to all the aggregated claims.

Eligibility Verification

To be eligible for Independent Review, a claim must meet ALL of the following::

1. The claim involves a TennCare service, which was provided to a TennCare enrollee,
AND
2. The MCO:
 - a. Partially or totally denied the claim in a written or electronic remittance advice; or
 - b. Subsequently partially or totally denied a previously allowed claim by a written or electronic notice; or
 - c. Failed to respond by issuing a remittance advice or other appropriate written or electronic notice partially or totally denying the claim within sixty(60) calendar days of the MCO's receipt of the claim.AND
3. The Provider sent a written request for reconsideration to the MCO
AND
4. The MCO:
 - a. Failed to respond to the request for reconsideration within 30 calendar days of the MCO's receipt of the request; or
 - b. Failed to respond within sixty (60) calendar days of receipt of the reconsideration request, if the MCO requested additional time within the first thirty (30) calendar days of the receipt of the reconsideration request; or
 - c. Failed to respond within the timeframe mutually agreed to by the provider and the MCO in writing; or
 - d. Continued to deny the claim;AND
5. The disputed claim is not involved in arbitration or lawsuit;
AND
6. The provider's request for independent review is made within 365 days of the MCO's first denial.

If the claim does not meet the eligibility requirements, TDCI will notify the provider.

Payment of Review Fee

The MCO initially pays all review fees for both contracted providers and providers who are not contracted with the MCO involved in the claims dispute.

Contracted Providers (Par-Providers)

The MCO initially pays the review fee. If a contracted provider loses the independent review, the contracted provider must reimburse the MCO the fee. If a losing contracted provider does not refund the MCO the fee, TDCI may prohibit that provider from future participation in the independent review process.

Non-Contracted Providers (Non-Par Providers)

Providers who do not have a contract with the MCO involved in the claims dispute must submit an amount of money equal to the review fee for TDCI to hold before the claim is eligible for review. If the non-contracted provider wins the review, TDCI will reimburse the money held to the non-contracted provider. If the MCO wins, TDCI will reimburse the MCO with the money held.

As of October 8, 2002, the review fee is \$450 per claim.⁵

TDCI's Referral of Request to Reviewer

If the provider submits the information requested on the Request for Independent Review Form, meets the eligibility requirements and necessary fee obligations, then TDCI will refer the request to an independent reviewer.

If the provider has not met the various requirements, TDCI will notify the provider.

Reviewer's Request for Information

Within 14 days of receiving the request from TDCI, the reviewer will send a request for information regarding the claims payment dispute to the provider and MCO. The reviewer must receive the provider's and MCO's response within 30 days, unless the reviewer grants additional time for an aggregated claims request. The reviewer may grant the provider or MCO an additional 30 days for aggregated requests. The reviewer will not consider any information which the provider or MCO does not submit within the 30 days.

Reviewer's Decision

The reviewer shall render a decision within 60 days of the receipt of the request for independent review from TDCI, unless the reviewer requests guidance on a medical issue or requests and receives an extension of time from the Commissioner of TDCI.

The reviewer will send the provider, MCO, and TDCI a copy of the decision.

Award

If the reviewer decides the MCO should pay the provider, the MCO must pay the provider within 20 days of receipt of the reviewer's decision.

[Updated 9/10/2004]

⁵ Pursuant to T.C.A. § 56-32-226(b)(4), the TennCare Claims Processing Panel sets the review fee. The Panel consists of two provider representatives, one representative from each of the two largest TennCare HMOs, and the Commissioner of TDCI or the commissioner's designated representative. See T.C.A. § 56-32-226(b)(4).

**REQUEST to COMMISSIONER of COMMERCE & INSURANCE for
INDEPENDENT REVIEW of DISPUTED TennCare CLAIM**

DATE: _____

TO: Compliance Officer, TennCare Division, Tenn. Dept. of Commerce & Insurance
500 James Robertson Parkway, Suite 750, Nashville, TN 37243-1169
Telephone: (615) 741-2677/Fax: (615) 532-8872/E-mail: Elaine.Moore@state.tn.us

FROM: _____

RE: (Name, Address, E-mail, Telephone & Fax of TennCare Provider)
Request for Review of Disputed **TennCare** Claim

Name of **TennCare** Managed Care Organization (MCO=HMO/BHO/Doral Dental) that denied claim: _____

Date(s) service(s) provided: _____

Enrollee Name & Identification #: _____

Specific Service & Service Code(s): _____

Amount of Claim: \$ _____

I **first** submitted the above claim to _____ (MCO) on _____ (date). **Attach submitted claim.**

The MCO received claim on _____ (date). **Attach proof of date the claim was received.**

The MCO partially or totally denied payment of this disputed claim on _____ (date). **Attach written denial.**

I requested _____ (MCO's) **reconsideration** on _____ (date). **Attach copy of dated reconsideration request. Attach proof of MCO's receipt AND date of receipt of reconsideration. Attach MCO's response to your reconsideration request if you received one. RECONSIDERATION IS REQUIRED, REGARDLESS OF WHETHER A DENIAL WAS RECEIVED.**

Describe disputed claim. Description shall include, but not be limited to, the following items: reason given for denial & position statement which explains why the MCO should pay the claim. **Attach all documents supporting your position, including your provider agreement or other written authorization to provide services as applicable.**

Do you want your claims aggregated? ☐ Yes ☐ No

Only claims involving a common question of fact or law may be aggregated. The fact that a claim is not paid does not create a common question of fact or law. If you wish to aggregate your claims, explain the common question of fact or law:

Only claims which meet ALL of the requirements set forth in T.C.A. § 56-32-226(b)(2)(A) thru (D) are eligible for Independent Review.

By my signature below, I hereby request independent review of the above claim, pursuant to T.C.A. §§ 56-32-226(b) or 71-5-2314. By my signature below, I also confirm that the above mentioned disputed claim will not be raised as an issue in litigation or arbitration until the reviewer issues his decision. Any provider who brings a lawsuit or initiates arbitration involving a claims payment dispute raised in an independent review request before the independent reviewer renders a decision, must ultimately pay the independent reviewer's fee. Any provider who initiates independent review for a non-TennCare claim is ultimately responsible for paying the reviewer's fee.

ACKNOWLEDGEMENT OF FEE OBLIGATION

By my signature below, I acknowledge the following: I have been advised that there is a mandatory fee of \$450.00 per claim. I understand that if I have a contract with the MCO (*attach evidence of contract*), the MCO is initially responsible for paying the fee. I further understand that if the reviewer determines the MCO correctly denied payment of this disputed claim(s), then I must reimburse the MCO for the reviewer's fee, as that fee is established by the TennCare Claims Processing Panel and the contract between the MCO and independent reviewer for independent review services.

Are you a contracted provider with the MCO? ☐ Yes ☐ No

If I do not have a contract with the MCO, I understand that I must submit the reviewer's fee to the Department of Commerce & Insurance with my request for independent review. (Per claim, attach check for \$450 made payable to the Department of Commerce and Insurance).

Signature (Name and Title) _____

Date _____

(Type or Print Name and Title)